

ARTICLES OF INCORPORATION

OF

ARUNDEL COMMUNITY DEVELOPMENT SERVICES, INC.

THIS IS TO CERTIFY THAT:

FIRST: The undersigned, Patrick K. Arey, whose address is Miles & Stockbridge, 10 Light Street, Baltimore, Maryland 21202, being at least eighteen (18) years of age, does hereby form a non-stock corporation under the general laws of the State of Maryland.

SECOND: The name of the corporation (which is hereinafter called the "Corporation") is:

Arundel Community Development Services, Inc.

THIRD: The Corporation is organized and shall be operated exclusively as a non-stock charitable organization within the meaning of Section 501(c)(3) of the Internal Revenue Code of 1986 and the regulations thereunder, as they now exist or may hereafter be amended (collectively the "Internal Revenue Code") for the following purposes:

(a) to advance the common good and general welfare of the communities and residents of the State of Maryland (the "State"), and especially Anne Arundel County, Maryland (the "County"), and, in particular, the general welfare of the low and moderate income residents of the State and the County, populations having special needs, including without limitation the handicapped, the homeless and the elderly, by establishing and/or operating programs created by federal, state or local law which will promote and further the improvement and enhancement of physical, social, and economic resources of the State and the County and their respective residents;

(b) to promote the conservation and expansion of the State's and the County's housing stock in order to provide a safe, decent and sanitary home and a suitable living environment for all persons, but principally those of low and moderate income;

(c) to eliminate slums and blight in the State and the County, to prevent blight and its related influences, and the deterioration of property through property acquisition and disposition, demolition, and related activities;

(d) to alleviate physical and economic distress in the State and the County through the stimulation of private investment and community revitalization in deteriorated residential and commercial areas;

(e) to encourage community development activity in the State and the County;

(f) to acquire, dispose of, demolish, remove, install, construct, reconstruct, rehabilitate and take any other actions with respect to property in furtherance of the purposes of the Corporation;

(g) to apply for, receive, implement and administer grants and contributions from federal, state or local governments or private persons, institutions or foundations in furtherance of the purposes of the Corporation;

(h) to administer programs and policies pursuant to grant and other agreements with federal, state or local governments or private persons, non-sectarian institutions or foundations in furtherance of the purposes of the Corporation and in accordance with the laws, rules, regulations, policies or procedures governing such grants or contributions;

(i) to make grants and provide assistance to public, private or charitable persons or entities

in furtherance of the purposes of the Corporation;

(j) to provide consulting services to private sector organizations, to assist and consult with any governmental subdivisions, agencies or instrumentalities in their efforts to combat deterioration in their respective communities, and to coordinate with other housing and community development organizations within the County, including, but not limited to, the Anne Arundel County Housing Authority, all in furtherance of the purposes of the Corporation;

(k) to create subsidiary corporations, both non-profit and for-profit for the purpose of carrying out the purposes of the Corporation, so long as such for-profit subsidiary corporations do not engage in any activity which would invalidate the Corporation's status as a corporation exempt from federal income taxation under Section 501(c)(3) of the Internal Revenue Code or as a corporation, contributions to which are deductible under Section 170(c)(2) of the Internal Revenue Code; and

(l) to engage in any lawful activities which are in furtherance of the purposes of the Corporation as restricted herein.

The Corporation also shall have all the general powers granted by law to Maryland corporations and all other powers not inconsistent with law that are appropriate to promote and attain its purposes.

**FOURTH:** The address of the principal office of the Corporation in this State is c/o Patrick K. Arey, Miles & Stockbridge, 10 Light Street, Baltimore, Maryland 21202.

**FIFTH:** The Resident Agent of the Corporation is Patrick K. Arey, whose address is Miles & Stockbridge, 10 Light Street, Baltimore, Maryland 21202. The Resident Agent is a citizen of and resides in the State of Maryland.

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**SIXTH:** The Corporation is not authorized to issue capital stock.

**SEVENTH:** The Corporation shall have a Board of four (4) directors unless the number is changed in accordance with the Bylaws of the Corporation. The number of Directors may be increased or decreased in accordance with the Bylaws of the Corporation but shall never be less than the minimum number required by the Maryland General Corporation Law. The directors holding office from time to time shall constitute the members of the Corporation. The initial directors are: Hans Mayer, Fran Korwek, Nancy Libson, and Patrick Arey.

**EIGHTH:** The Corporation shall indemnify, to the fullest extent permitted by Maryland law, as applicable from time to time, all persons who at any time were or are directors or officers of the Corporation for any threatened, pending or completed action, suit or proceeding (whether civil, criminal, administrative or investigative) relating to any action alleged to have been taken or omitted in such capacity as a director or an officer. The Corporation shall pay or reimburse all reasonable expenses incurred by a present or former director or officer of the Corporation in connection with any threatened, pending or completed action, suit or proceeding (whether civil, criminal, administrative or investigative) in which the present or former director or officer is a party, in advance of the final disposition of the proceeding, to the fullest extent permitted by, and in accordance with the applicable requirements of, Maryland law, as applicable from time to time. The Corporation may indemnify any other persons permitted but not required to be indemnified by Maryland law, as applicable from time to time, if and to the extent indemnification is authorized and determined to be appropriate in each case in accordance with applicable law by the Board of Directors, the stockholders or special legal counsel appointed by the Board of Directors. The Corporation shall not be required to purchase or maintain insurance on behalf of any present or former directors or officers or other persons required or permitted to be indemnified. No amendment of the Charter of the Corporation or repeal of any of its provisions shall limit or eliminate any of the benefits provided to directors and officers under this Article in respect of any act or omission that occurred prior to such amendment or repeal.

NINTII: Notwithstanding any other provision of these Articles:

(a) No part of the net earnings of the Corporation shall inure to the benefit of any member, director or officer of the Corporation, or any private person, except that reasonable compensation may be paid for services actually rendered to or for the Corporation. No member, director or officer of the Corporation, or any private person, shall be entitled to share in the distribution of any corporate assets upon dissolution of the Corporation.

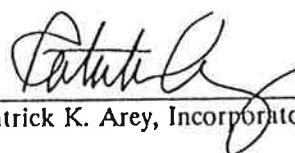
(b) Except as provided and permitted under Section 501(h) and 4911 of the Internal Revenue Code, no substantial part of the activities of the Corporation shall be the carrying on of propaganda, or otherwise attempting to influence legislation, and the Corporation shall not participate in or intervene in (including the publication or distribution of statements) any political campaign on behalf of (or in opposition to) any candidate for public office.

(c) The Corporation shall have no power directly or indirectly to engage in any activity which would invalidate its status as a corporation exempt from federal income taxation under Section 501(c)(3) of the Internal Revenue Code or as a corporation, contributions to which are deductible under Section 170(c)(2) of the Internal Revenue Code.

TENTII: Upon the dissolution of the Corporation and subject to any applicable federal, state or local laws governing disposition of the Corporation's property, the Board of Directors shall, after paying or making provision for the payment of all of the liabilities of the Corporation, distribute all assets of the Corporation, pursuant to a plan of distribution adopted by the Directors, to any organization or organizations exempt from federal income taxation under Section 501(d)(3) of the Internal Revenue Code and described in Section 509(a)(1), (2) or (3) of the Internal Revenue Code, or to the federal government, or to a state or local government (collectively an "Exempt Organization") for purposes similar or analogous to the purposes described in Article THIRD hereof. Any assets not so disposed of shall be disposed of by the Circuit Court of the county in which the principal office of the Corporation is then located, exclusively for the purposes specified in such plan of distribution (or if there is no plan of distribution, for purposes similar or analogous to the purposes described in Article THIRD hereof), or to an Exempt Organization or organizations, as determined by the Court, which are organized and operated for such purposes.

ELEVENTII: The Corporation reserves the right to make, from time to time, any amendments to these Articles which may now or hereafter be authorized by law.

IN WITNESS WHEREOF, I have signed these Articles of Incorporation, and I acknowledge the same to be my act, on this 11th day of March, 1993.

  
Patrick K. Arey, Incorporator.

AAC93004.ART (March 11, 1993)